

Message Text

UNCLASSIFIED

PAGE 01 ROME 14074 111254Z

50

ACTION SWF-01

INFO OCT-01 IO-03 AGR-03 RSC-01 AID-05 EB-03 AF-04 ARA-10

EA-07 EUR-10 NEA-06 COME-00 ISO-00 TRSE-00 SSO-00

CIAE-00 INR-10 NSAE-00 INRE-00 PA-01 PRS-01 USIE-00

IOE-00 FRB-01 XMB-01 OPIC-02 SP-02 CIEP-01 LAB-01

SIL-01 OMB-01 DRC-01 /077 W
----- 091099

O 111055Z OCT 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC IMMEDIATE 7409

INFO USMISSION USUN NEW YORK IMMEDIATE

USMISSION GENEVA IMMEDIATE

USMISSION EC BRUSSELS IMMEDIATE

USMISSION OECD PARIS IMMEDIATE

UNCLAS ROME 14074

FODAG

E.O. 11652: N/A

TAGS: FAO, OCON, WFC

SUBJ: PRESS CONFERENCE BY DIRECTOR GENERAL BOERMA, FAO, ROME,
OCTOBER 10, 1974

REF.: (A) ROME 14005; (B) ROME 14041

DIRECTOR-GENERAL BOERMA ISSUED THE FOLLOWING STATEMENT AT PRESS
CONFERENCE IMMEDIATELY FOLLOWING SPECIAL MEETING PERMANENT
REPRESENTATIVES OCTOBER 10.

QUOTE: I HAVE CALLED THIS PRESS CONFERENCE BECAUSE THE WORLDFOOD
SITUATION, WHICH, IN THESE LAST TWO YEARS HAS CAUSED WIDESPREAD
CONCERN AND, IN PLACES, CONSIDERABLE HUMAN SUFFERING, IS AGAIN
DETERIORATING - AND THIS AT A TIME WHEN THE WORLD FOOD CONFERENCE
HERE IN ROME IS NOW ONLY A FEW WEEKS AWAY. THE SITUATION IS,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 14074 111254Z

IN MY VIEW, A GRAVE ONE. IT CAN BE SAVED, BUT IT WILL REQUIRE

WELL-PLANNED, RAPID COLLECTIVE ACTION BY THE INTERNATIONAL COMMUNITY. MY MAIN PURPOSE TODAY IS TO DESCRIBE WHAT I BELIEVE NEEDS TO BE DONE STARTING FROM NOW.

THE KEY FACTOR IN THE WORLD FOOD SITUATION IS OF COURSE THE SUPPLY OF CEREALS - WHEAT, RICE AND COARSE GRAINS - WHICH ACCOUNT FOR WELL OVER HALF WORLD FOOD PRODUCTION AND, MORE IMPORTANT, ARE THE STAPLE FOODS FOR PEOPLE ALL OVER THE GLOBE.

THE PRESENT PERIOD OF CONCERN ABOUT SUPPLIES GOES BACK TO 1972, WHEN THERE WAS A DROP IN TOTAL WORLD FOOD PRODUCTION FOR THE FIRST TIME SINCE THE SECOND WORLD WAR, WHEN THE WORLD'S STOCKS OF GRAIN STARTED BEING DEPLETED TO WHAT ARE NOW DANGEROUSLY LOW LEVELS AND WHEN FOOD PRICES BEGAN RISING FIERCELY. THUS, FOR MOST OF 1973, THERE WAS CONSIDERABLE ANXIETY ABOUT THE SHORT-TERM PROSPECTS FOR THE WORLD'S FOOD PRODUCTION. FORTUNATELY, HARVESTS LAST YEAR WERE GENERALLY GOOD. BUT THE INCREASES IN PRODUCTION LARGELY HAD TO BE COUNTED AS A RECOVERY FROM THE PREVIOUS YEAR AND IT WAS NOT POSSIBLE TO REBUILD STOCKS. SO THIS YEAR WE AGAIN FACE THE SAME UNCERTAINTY ABOUT THE OUTCOME OF THE HARVESTS. AND THIS YEAR WE HAVE NOT BEEN SO LUCKY.

FOR THE SECOND TIME IN THREE YEARS, WORLD PRODUCTION OF CEREALS WILL HAVE IN FACT DECLINED. THE PICTURE IS SPOTTY AND NOT FULLY COMPLETE, BUT IT IS CLEAR THAT BAD WEATHER HAS AGAIN CAUSED WIDESPREAD DAMAGE IN WHAT ARE, FOR DIFFERENT REASONS, THE TWO MOST VITAL FOOD-PRODUCING REGIONS IN THE WORLD - NORTH AMERICA AND ASIA. IN THE UNITED STATES, THE PRODUCTION OF MAIZE WILL BE MUCH LOWER THAN LAST YEAR. CANADA IS FACED WITH THE LOWEST WHEAT SUPPLY FOR OVER TEN YEARS. IN A NUMBER OF ASIAN COUNTRIES, A VERY ERRATIC MONSOON, CAUSING DROUGHT IN SOME AREAS AND HEAVY FLOODS IN OTHERS, WILL HAVE SHARPLY REDUCED ESSENTIAL RICE CROP. IN ADDITION TO ALL THIS, THE WHEAT HARVEST IN THE SOVIET UNION IS FALLING SHORT OF THIS YEAR'S TARGET.

THESE HIGHLY DISTURBING RESULTS OF THIS YEAR'S PRODUCTION WILL OF COURSE HAVE THE MOST SERIOUS REPERCUSSIONS FOR THE POORER DEVELOPING COUNTRIES, ALREADY HIT BY MUCH HIGHER PRICES FOR THEIR

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ROME 14074 111254Z

IMPORTS OF FOODS, OIL AND FERTILIZERS - AND NOW EVEN UNABLE TO OBTAIN QUANTITIES OF FERTILIZER THEY NEED FOR THEIR OWN FOOD PRODUCTION. MOREOVER, THESE SAME HIGHER PRICES HAVE MEANT A LARGE CUT IN THE AMOUNTS OF FOOD AID THEY WERE PREVIOUSLY RECEIVING. WITH THE SHARP DETERIORATION IN THEIR BALANCE OF PAYMENTS, THEY ARE SIMPLY NOT GOING TO BE ABLE TO PAY FOR ALL THE FOOD THEY WILL NEED TO IMPORT IN THE MONTHS AHEAD. BUT THE MORE URGENT QUESTION NOW ARISES - WILL THERE EVEN BE SUFFICIENT SUPPLIES

AVAILABLE IN THE WORLD TO MEET THEIR ESSENTIAL REQUIREMENTS FOR HUMAN CONSUMPTION?

IN OUR VIEW, ALTHOUGH SUPPLIES ARE SCARCE, THEY /ARE/ AVAILABLE. BUT THIS IS WHERE THE NEED FOR RAPID, CONCERTED INTERNATIONAL ACTION COMES IN.

THE PRESENT SITUATION SHOULD FINALLY MAKE IT CLEAR TO ALL CONCERNED THAT ANY PURIST CONCEPT OF INTERNATIONAL FREETRADE IN FOOD IS DANGEROUSLY OUTDATED. THE POORER DEVELOPING COUNTRIES WHICH ARE FACING CROP DEFICITS AND SERIOUS BALANCE OF PAYMENTS DIFFICULTIES CANNOT BE LEFT TO COMPETE IN A FREE-FOR-ALL SCRAMBLE FOR BASIC FOOD SUPPLIES WHERE CASH IS PREFERRED TO CREDIT.

CLEARLY, THE MAIN RESPONSIBILITY FOR THE INTERNATIONAL ACTION THAT IS NEEDED, MUST, IN THE NATURE OF THINGS, REST WITH THE COUNTRIES WHICH ARE MAJOR EXPORTERS OF CEREALS, ONLY THEY CAN ULTIMATELY DECIDE ON HOW THEY WILL DISPOSE OF THEIR SUPPLIES. BUT THE PRESENT WORLD FOOD SITUATION REQUIRES THAT THEY ACT TOGETHER AND WITH A POSITIVE READINESS TO MEET THE URGENT NEEDS OF THE DEVELOPING COUNTRIES WHICH ARE HARDEST HIT. IT REQUIRES THAT THEY TAKE MEASURES TO ENSURE AN ORDERLY MANAGEMENT OF AVAILABLE SUPPLIES, NOTABLY BY SETTING ASIDE ENOUGH GRAIN TO MEET THESE URGENT NEEDS. IT REQUIRES THAT THESE MEASURES SHOULD EXTEND UP TILL NEXT YEAR'S MAIN CROPS IN NORTHERN HEMISPHERE ARE HARVESTED - THAT IS, UP TILL THE PERIOD FROM ABOUT JULY TO OCTOBER 1975. I WOULD STRESS THAT WE NEED TO THINK IN TERMS OF THE NEXT NINE TO TWELVE MONTHS, SINCE THERE ARE POSSIBLE UNKNOWN DANGERS AHEAD. IN INDIA, FOR EXAMPLE, WHILE THE IMMEDIATE SITUATION IS, TO USE MRS. GANDHI'S OWN WORDS, "EXTREMELY DIFFICULT", A LOT WILL ALSO DEPEND ON THE WINTER CROPS, THE RESULTS OF WHICH WILL ONLY BE KNOWN NEXT MARCH.

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 ROME 14074 111254Z

NOW, WHAT DO I PROPOSE IN SPECIFIC TERMS? IN THE FIRSTPLACE, THERE SHOULD BE AN IMMEDIATE ASSESSMENT OF THE BASIC IMPORT NEEDS OF DEVELOPING COUNTRIES OVER THE NEXT NINE TO TWELVE MONTHS. FAO WOULD OF COURSE BE READY TO UNDERTAKE THIS.

ON THE BASIS OF THIS INDEPENDENT ASSESSMENT, THE MAIN EXPORTING COUNTRIES, ACTING IN CONSULTATION WITH ONE ANOTHER AND WITH THE MAJOR CONSUMER NATIONS, BOTH DEVELOPED AND DEVELOPING, SHOULD THEN AGREE TO TAKE THE FIRST DECISIVE STEP TOWARDS ORDERLY MANAGEMENT OF AVAILABLE SUPPLIES. THIS, I PROPOSE, SHOULD BE THE IMMEDIATE EAR-MARKING OF SUFFICIENT SUPPLIES TO MEET THOSE NEEDS WHICH ARE NOT YET COVERED.

FOR THIS TO BE EFFECTIVE, IT WOULD REQUIRE REGULAR CONSULTATIONS

AMONG THESE COUNTRIES - SAY, ON A MONTHLY BASIS - WHICH COULD BE ORGANIZED UNDER FAO AUSPICES.

WHAT IS THE EXACT SIZE OF THE URGENT NEEDS I HAVE MENTIONED? THIS WILL OF COURSE DEPEND PARTLY ON THE SIZE OF CROPS NOT YET HARVESTED, NOTABLY IN ASIA. BUT WE RECKON THAT THE MOST SEVERELY AFFECTED DEVELOPING COUNTRIES - THEY ALONE - WILL NEED TO IMPORT SOMEWHERE BETWEEN EIGHT AND TWELVE MILLION TONS OF GRAIN IN THE REST OF THIS CRITICAL PERIOD AHEAD OF US. THIS, THEN, IS THE ORDER OF MAGNITUDE OF THE GRAINS THAT WILL HAVE TO BE EAR-MARKED TO MEET THE MINIMUM AND MOST URGENT NEEDS.

IF THIS IS DONE, THEN AT LEAST WE KNOW THAT THE FOOD NEEDED WILL BE PHYSICALLY AVAILABLE. THERE REMAINS, HOWEVER, THE QUESTION OF FINANCING OF THE SUPPLIES. TO THAT I WILL GIVE THIS ANSWER. IF A NUMBER OF COUNTRIES ARE TO AVOID WIDESPREAD HUMAN DISASTER DUE TO LACK OF ESSENTIAL FOOD SUPPLIES, SPECIAL ARRANGEMENTS WILL HAVE TO BE MADE TO PROVIDE THEN WITH LARGE-SCALE FINANCIAL HELP FOR THEIR IMPORTS - WHETHER IN THE FORM OF DEFERRED PAYMENTS, EXPANDED CREDIT OR OTHER CONCESSIONS - AND WITH GREATLY INCREASED FOOD AID.

NOW, I REALIZE THAT THE LONG-TERM ANSWER TO A SITUATION LIKE THE PRESENT IS A WORLD FOOD SECURITY SYSTEM, WITH ADEQUATE NATIONAL STOCK-HOLDING POLICIES. AS YOU KNOW, I HAVE ALREADY PROPOSED THIS, THE FAO CONFERENCE HAS ENDORSED IT AND WE HAVE UNCLASSIFIED

UNCLASSIFIED

PAGE 05 ROME 14074 111254Z

MADE ENCOURAGING PROGRESS TOWARDS THE ACHIEVEMENT OF AN INTERNATIONAL UNDERTAKING ON IT. BUT, EVEN IF IT RECEIVES FURTHER BACKING FROM THE WORLD FOOD CONFERENCE NEXT MONTH - AS INDEED IT SHOULD -, IT WILL BE AT LEAST ANOTHER TWO YEARS BEFORE STOCKS CAN BE BUILT UP EVEN TO A MINIMUM LEVEL OF SAFETY.

IT IS THUS IMPERATIVE THAT IMMEDIATE ACTION SHOULD BE TAKEN TO DEAL WITH THE IMMEDIATE SITUATION. IN THE YEAR AHEAD, THERE MUST BE BOTH AN ALL-OUT DRIVE TO INCREASE THE PRODUCTION OF FOOD-GRAINS IN ALL PARTS OF THE WORLD AND A WILLINGNESS TO TAKE THE KIND OF RAPID CONCERTED INTERNATIONAL ACTION I HAVE PROPOSED TODAY FOR THE EQUITABLE DISTRIBUTION OF EXISTING GRAIN SUPPLIES. IF THERE IS NOT THIS WILLINGNESS, THEN I FEAR FOR THE OUTCOME OF THE WORLD FOOD CONFERENCE ITSELF AND FOR THE PROSPECTS OF HUMAN SOCIETY THAT DEPEND ON IT. END QUOTE. BEAUDRY

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WORLD FOOD CONFERENCE
Control Number: n/a
Copy: SINGLE
Draft Date: 11 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ROME14074
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740289-0863
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741052/aaaabsfw.tel
Line Count: 216
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SWF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: : (A) ROME 14005; (B) ROME 14041
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAR 2002 by chappeld>; APPROVED <30 JUL 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS CONFERENCE BY DIRECTOR GENERAL BOERMA, FAO, ROME, OCTOBER 10, 1974
TAGS: OCON, FAO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005